

Long Term Lease Agreement of Dover and Portsmouth Bus Terminals

**P3 Commission
RFP Public Hearing
Portsmouth City Hall
February 20, 2020**

P3 Legislation - RSA 228:107

- Enacted into Law 6/2016
- Established a P3 Commission & Allows for the Development of P3 Projects
- P3 projects provide opportunity to share resources to design, build, finance, operate and maintain the transportation infrastructure
 - Important tool in age of limited transportation funding
 - Delineates clear responsibilities & commitments
 - Identifies risks and rewards for both parties
- P3 legislation is designed to attract needed private investment to sustain & promote growth associated with transportation infrastructure

P3 Steps

- Submission of Letters of Interest for P3 Projects
- Determination of the suitability of P3 approach
- Hold two Public Hearings – public feedback on appropriateness of P3 procurement method
- Development/Issuance of RFQ
- Approval of Governor & Council (G&C) and Capital Budget Overview Committee for use of P3 for a project
- Development of draft RFP
- **Hold Public Hearing on draft RFP – solicit public feedback**
- G&C approval for release of RFP
- Typically 4 to 8 months for Selection of Developer/Operator
 - Selection Committee reviews and ranks Proposals
 - Selection based on competitive ranking process – technical & financial
 - Selection Committee Recommendation to Commissioner & P3 Commission
- G&C Approval of P3 Contract

P3 Project Selection

- Long Term Lease Agreements
 - Portsmouth Transportation Center
 - Dover Bus Terminal/Park and Ride



Portsmouth Transportation Center Project Need

- Built in 1999, expanded in 2001 and 2014
- 4-dock bus terminal w/ 1248 Parking Spaces
- Operates near capacity on daily basis
- Valet services & remote parking lots utilized
- Lack of parking controls
- Abuse of parking – capacity issues
- Lack of revenue source for expansion & unplanned maintenance
- Need for parking management

Portsmouth Transportation Center Project Need (con't)

Portsmouth Bus Terminal & Transportation Center



Dover Bus Terminal/Park and Ride Project Need

- Built in 2008
- Small bus terminal building w/ 414 Parking Spaces
- Operates at 85% capacity on daily basis
- Valet service ended 11/1/18. No suitable off-site parking location available
- Lack of parking controls
- Abuse of parking – capacity issues
- Lack of revenue source for expansion & unplanned maintenance
- Need for parking management

Dover Bus Terminal/Park and Ride - Project Need (con't)



Dover Bus Terminal & Park'n'Ride Facility

Goals of P3 Project

1. Ensure facilities are operated to a high standard that promotes growth of public transportation, carpooling & vanpooling
2. Ensure that facilities are maintained to a high standard that provides a positive customer experience for users of the facilities
3. Efficient and effective management of parking to control capacity and prevent abuse
4. Provide a fair return to the State
5. Provide for the transfer of any additional facilities at the end of the long term lease (preferred).

Benefits of P3 Approach

- Improved Reliability
- Improved level of service with potential for expanded services (added transit, concessions)
- Predictable Revenue Stream – offset maintenance & operation costs, fund future expansion capital costs
- Infusion of Private Capital
- Heightened Responsiveness & Accountability

Benefits to State

- Increased potential for expanded transit services (added transit, concessions)
- Management of Parking Demand – current & future
- D/O responsible for 100% of maintenance and operating costs
- State not required to invest in construction of expanded facilities – D/O responsible to set aside certain percentage of proceeds for expansion
- State will potentially receive fixed rent and percentage of gross revenue for investment in transit facilities in the region.
- At end of long term lease, any additional facilities may be transferred to the State (preferred) in satisfactory condition, free of debt.

Opportunities for Developer/Operator

- Enter into long term lease (30-year) & concession agreement to operate facilities
- Institute Parking Control Measures
- Ability to introduce Fee-Based Parking
- Gather Predictable Revenue Stream
- Explore other Revenue Enhancing Initiatives (docking fees, advertisements, concessions)
- Secure a small profit

Restrictions for Developer/Operator

- Early Development Agreement
 - Agreement between FHWA and NHDOT
 - D/O cannot reduce parking/physical transit capacity
 - Advertising/media displays limited to inside structures
- Concessions must be complementary to transit/shared ride activities
 - NHDOT has right to further restrict
- No alcohol or fueling facilities on site
- Still must adhere to applicable Federal, State, and local requirements
 - New construction must be approved by State

RFP Selection Criteria

Long Term Lease/Concession Agreement of the Dover and Portsmouth Bus Terminals Proposal Scoring

CATEGORY	POINTS
TECHNICAL PROPOSAL	80
<i>Section I: Site/Facility Development to include any new/altered infrastructure</i>	15
<i>Section II: Facilities Management Plan (Operations and Maintenance)</i>	15
<i>Section III: Approach to generating revenue at or through the use of the facilities</i>	5
<i>Section IV: Team members' experience and key staff qualifications in similar transportation center management projects</i>	15
<i>Section V: Overall ability to meet stated Goals of the State and criteria of Ground Lease Contract (which incorporates Early Development Agreement by reference)</i>	20
<i>Section VI: Proof of Financial Strength and On-Going Stability</i>	10
REVENUE PROPOSAL	20
<i>Section VII: Base Rent Payment Proposal</i>	15
<i>Section VIII: Gross Sales Rent Payment Proposal</i>	5
TOTAL POTENTIAL MAXIMUM POINTS	100

Rent Payments to the State

- Base Rent Payment
 - Monthly rent payment to the State for the Portsmouth and Dover facilities for term of the Ground Lease Contract.
 - Operator to propose amount of Base Rent Payment to include escalation through the term of the Ground Lease Contract.
- Gross Sales Rent Payment
 - A percentage of the annual gross sales revenue generated by the Operator through the use of the Portsmouth and Dover facilities for the term of the Ground Lease Contract.
 - Payment is annually based on State fiscal year.
 - Operator to propose sources of gross sales revenue and percentage(s) for Gross Sales Rent payment.

Proposed Schedule

EVENT	DATE(S)
RFP & Ground Lease Contract released to pre-qualified Operators	April 15, 2020
Operator Review and Comment Period Begins	April 15, 2020
Operator Site Visits	Week of April 20, 2020
Operator Comment Period Ends/Inquiry Submittal Deadline	May 1, 2020 at 2:30 PM
NHDOT Response to Comments/RFP Addenda Issued	May 15, 2020
Final Date for Delivery of Proposal Submissions	June 26, 2020 at 2:30 PM
Invitations for Operator Interviews Issued	July 2, 2020
Operator Interviews with Selection Committee	Week of July 13, 2020
Selection Committee Recommendation to P3 Commission	Late July 2020
Long Range Capital Planning and Utilization Committee Review & Approval	August 2020
Finalize Ground Lease Contract Document Developed	August 2020
Governor and Executive Council Approval of Ground Lease Contract	September 2020
Ground Lease Contract Effective Date (estimated)	Subsequent to G&C approval as determined during contract development phase with selected Operator

Thank You!

<https://www.nh.gov/dot/programs/public-private-partnership/index.htm>